

MERIDIAN GROWTH FUNDsm

January 5, 2003

To our shareholders:

The Meridian Growth Fund's net asset value per share at December 31, 2002, was 22.98. This represents a decrease of 17.8% for the calendar year. The Fund's total return and average compound annual rate of return since inception, August 1, 1984, were 854.7% and 13.0%, respectively. The Fund's assets at the close of the quarter were invested 9.1% in cash and cash equivalents and 90.9% in stocks. Total net assets were \$317,676,198 and there were 21,625 shareholders.

Stocks declined in 2002 amid fear of war and terrorism, weak profits and corporate scandals. It was the third consecutive yearly decline, the first time this has happened in sixty years. The drop was steep and broad based with the S&P 500 dropping 23 percent, the NASDAQ 32 percent and the Russell 2000 22 percent. From the peak reached in March 2000, the S&P 500 is off 43 percent, the NASDAQ 74 percent and the Russell 2000 38 percent. The technology and biotech sectors again fared poorly while precious metals, energy and financial stocks performed best during the year.

Bonds continued to do well. The yield on the ten-year treasury dropped from 5.17 percent to 3.75 percent during the year, resulting in a total return of 14.62 percent.

GDP grew approximately three percent in 2002 and corporate profits turned positive during the second half of the year. Many companies lowered head count, cut back inventories and reduced obsolete capacity. Budgets for plant and equipment were reduced. We can't predict what will happen with Iraq, North Korea or terrorism but our economic outlook remains unchanged. The economy is structurally sound, the Federal Reserve will continue an accommodative money policy and tax cuts are likely. We expect moderate growth during 2003, with higher corporate profits and moderate increases in interest rates and the rate of inflation. Companies, after a two-year drought, will begin to increase capital spending selectively to increase productivity and remain competitive. This will be positive for the manufacturing sector, including technology.

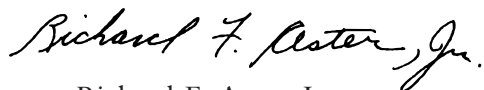
Most of the speculation and much of the risk, in our opinion, has been removed from the market during the past three years. There are few initial public offerings these days, venture capital and merger activity is down, the number of Wall Street analysts has declined and there have been net withdrawals from mutual funds; all good signs. Our portfolio, on balance, consists of small and medium-sized growth stocks selling at reasonable valuations. Technology, retail, health care and restaurants, as usual, represent our largest areas of concentration. Most of our companies should experience good earnings growth during 2003, especially if the economy shows reasonable growth.

New positions during the fourth quarter included A.G. Edwards, T. Rowe Price Group and The Men's Wearhouse. We sold our shares in Jack in the Box, Cross Country and JDA Software Group.

Symbol Technologies is the leading global provider of bar code reading devices and is among the leaders in mobile (such as handheld) computing devices and wireless network systems for targeted vertical markets. Traditional customers are in the retail and transportation industries, with a growing customer base in manufacturing, among other markets. Customers use Symbol's products to increase productivity in logistics, sales and other areas by facilitating and accelerating the exchange of information. In the past six months, the company has internally promoted a new CEO and added three key officers to its management team, all from Cisco Systems. Symbol's business has stabilized over the last two quarters, evidenced by positive earnings growth and improvements in other financial measures. The company has significant free cash flow, a leverageable business model and addresses a growth market. We believe Symbol is well positioned for the eventual rebound in technology spending.

We welcome those new shareholders who joined the Meridian Growth Fund during the quarter and appreciate the continued confidence of our existing shareholders.

We wish you a happy, healthy and prosperous New Year.

A handwritten signature in cursive script that reads "Richard F. Aster, Jr.".

Richard F. Aster, Jr.

Meridian Growth Fund

Schedule of Investments

December 31, 2002

	<u>Shares</u>	<u>Value</u>
COMMON STOCK - 90.9%		
BANKING & FINANCE - 3.3%		
Bank of Hawaii Corp.*	210,400	\$6,394,056
Silicon Valley Bancshares	228,000	<u>4,161,000</u>
		10,555,056
BROKERAGE & MONEY MANAGEMENT - 2.5%		
Edwards (A.G), Inc.*	95,850	3,159,216
T. Rowe Price Group, Inc.*	170,400	<u>4,648,512</u>
		7,807,728
CELLULAR COMMUNICATIONS - 1.0%		
American Tower Corp. Class A	353,000	1,246,090
United States Cellular Corp.	75,700	<u>1,894,014</u>
		3,140,104
CONSTRUCTION - 1.9%		
Granite Construction, Inc.*	389,300	6,034,150
CONSUMER SERVICES - 2.6%		
Regis Corp.*	319,500	8,303,805
EDUCATION - 1.2%		
De Vry, Inc.	228,100	3,788,741
HEALTH SERVICES - 12.3%		
DaVita, Inc.	323,800	7,988,146
Health Management Associates, Inc. Class A*	440,600	7,886,740
Lincare Holdings, Inc.	253,800	8,025,156
Province Healthcare Co.	762,700	7,421,071
Renal Care Group, Inc.	243,200	<u>7,694,848</u>
		39,015,961

*The accompanying notes are an integral part of the financial statements
(unaudited)*

Meridian Growth Fund

Schedule of Investments (continued)

December 31, 2002

	Shares	Value
COMMON STOCK (continued)		
INDUSTRIAL PRODUCTS - 4.6%		
Dionex Corp.	218,100	\$6,479,751
Tektronix, Inc.	440,500	8,012,695
		14,492,446
INDUSTRIAL SERVICES - 10.7%		
Expeditors International of Washington, Inc.*	195,200	6,373,280
Paychex, Inc.*	210,300	5,867,370
Republic Services, Inc.	436,000	9,147,280
United Rentals, Inc.	403,050	4,336,818
United Stationers, Inc.	284,500	8,193,885
		33,918,633
INSURANCE - 2.5%		
Mercury General Corp.*	215,800	8,109,764
RESTAURANTS - 9.3%		
Applebee's International, Inc.*	341,350	7,916,248
P.F. Chang's China Bistro, Inc.	168,500	6,116,550
Ruby Tuesday, Inc.*	463,200	8,008,728
Sonic Corp.	364,000	7,458,360
		29,499,886
RETAIL - 15.9%		
Bed, Bath and Beyond, Inc.	179,300	\$6,191,229
Borders Group, Inc.	245,300	3,949,330
Claire's Stores, Inc.*	315,700	6,967,499
Cost Plus, Inc.	272,600	7,815,442
Ethan Allen Interiors, Inc.*	237,000	8,145,690
Kohl's Corp.	92,000	5,147,400
Men's Warehouse, Inc.	364,000	6,242,600
RadioShack Corp.*	325,000	6,090,500
		50,549,690

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Meridian Growth Fund

Schedule of Investments (continued)

December 31, 2002

	<u>Shares</u>	<u>Value</u>
COMMON STOCK (continued)		
TECHNOLOGY - 19.6%		
American Power Conversion Corp.	565,400	\$8,565,810
Autodesk, Inc.*	519,700	7,431,710
FileNET Corp.	292,400	3,567,280
KEMET Corp.	815,800	7,130,092
Molex, Inc. Class A*	321,000	6,384,690
Symbol Technologies, Inc.*	818,500	6,728,070
Synopsys, Inc.	166,800	7,697,820
Vishay Intertechnology, Inc.	613,000	6,853,340
Zebra Technologies Corp.	141,400	8,102,220
		<u>62,461,032</u>
TELECOMMUNICATIONS EQUIPMENT - 3.5%		
Andrew Corp.	576,600	5,927,448
Plantronics, Inc.	338,600	5,123,018
		<u>11,050,466</u>
TOTAL COMMON STOCK - 90.9%		
(Identified cost \$286,364,419)		<u>288,727,462</u>
U.S. GOVERNMENT OBLIGATIONS - 4.7%		
U.S. Treasury Bill @1.210% due 02/06/03 (Identified cost \$14,957,854)		<u>14,983,171</u>
TOTAL INVESTMENTS		
(Identified Cost \$301,322,273) - 95.6%		303,710,633
CASH AND OTHER ASSETS LESS LIABILITIES - 4.4%		
		<u>13,965,565</u>
NET ASSETS - 100%		
		<u>\$317,676,198</u>

*income producing

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Meridian Growth Fund

Statement of Assets and Liabilities

December 31, 2002

ASSETS

Investments (Cost \$301,322,273)	\$303,710,633
Cash and cash equivalents	16,283,392
Receivable for:	
Dividends	102,529
Interest	2,778
Capital shares	763,356
Securities sold	1,063,620
Prepaid expenses	<u>3,494</u>
 TOTAL ASSETS	 <u>\$321,929,802</u>

LIABILITIES

Payable for:	
Capital shares	200,662
Securities purchased	3,758,517
Accrued expenses:	
Investment advisory fees	221,257
Other payables and accrued expenses	<u>73,168</u>
 TOTAL LIABILITIES	 <u>4,253,604</u>

NET ASSETS

\$317,676,198

Capital shares issued and outstanding, par value \$.01

(25,000,000 shares authorized)

13,822,444

Net asset value per share (offering and redemption price)

\$22.98

Net assets consist of:

Paid in capital	\$322,687,753
Accumulated net realized loss	(5,989,974)
Accumulated net unrealized appreciation on investments	2,364,064
Undistributed net investment loss	<u>(1,385,645)</u>
	<u>\$317,676,198</u>

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Meridian Growth Fund

Statement of Operations

For the Six-Months Ended December 31, 2002

INVESTMENT INCOME

Dividends	\$597,444	
Interest	<u>144,337</u>	
Total investment income		<u>\$741,781</u>

EXPENSES

Investment advisory fees	1,185,322	
Transfer agent fees	103,408	
Reports to shareholders	31,740	
Pricing fees	30,544	
Custodian fees	26,128	
Registration and filing fees	24,761	
Professional fees	18,584	
Miscellaneous expenses	4,793	
Directors' fees and expenses	<u>2,392</u>	
Total expenses		<u>1,427,672</u>
Net investment loss		<u>(685,891)</u>

NET REALIZED AND UNREALIZED LOSS ON INVESTMENTS

Net realized loss on investments	(6,685,149)	
Net change in unrealized depreciation on investments	<u>(44,024,051)</u>	
Net realized and unrealized depreciation on investments		<u>(50,709,200)</u>

NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS (\$51,395,091)

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Meridian Growth Fund

Statement of Changes in Net Assets

	Six Months Ended December 31, 2002	Year Ended June 30, 2002
OPERATIONS		
Net investment loss	(\$685,891)	(\$1,369,673)
Net realized gain (loss) on investments	(6,685,149)	11,777,819
Net unrealized depreciation on investments	<u>(44,024,051)</u>	<u>(12,385,892)</u>
Net decrease from operations	<u>(51,395,091)</u>	<u>(1,977,746)</u>
DISTRIBUTIONS TO SHAREHOLDERS		
Distributions from ordinary income	(699,754)	0
Distributions from net realized capital gain	<u>(7,469,451)</u>	<u>(17,227,660)</u>
Total distributions	<u>(8,169,205)</u>	<u>(17,227,660)</u>
CAPITAL SHARE TRANSACTIONS		
Proceeds from sales of shares	103,309,676	182,159,957
Reinvestment of distributions	7,510,696	16,327,450
Less: redemptions	<u>(44,238,791)</u>	<u>(50,740,320)</u>
Increase resulting from capital share transactions	<u>66,581,581</u>	<u>147,747,087</u>
Total increase in net assets	7,017,285	128,541,681
NET ASSETS		
Beginning of year	<u>310,658,913</u>	<u>182,117,232</u>
End of year (includes undistributed net investment (loss) of \$(1,385,645) and \$0, respectively)	<u>\$317,676,198</u>	<u>\$310,658,913</u>

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Meridian Growth Fund

Financial Highlights

Selected data for each share of capital stock outstanding throughout each period

	For the six months ended December 31, 2002	For the fiscal year ended June 30,									
	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	
Net Asset Value — Beginning of period	\$28.10	\$31.30	\$29.45	\$26.28	\$33.26	\$33.20	\$32.21	\$27.29	\$24.27	\$23.87	\$18.97
<u>Income from Investment</u>											
<u>Operations</u>											
Net Investment Income (loss)*	0.01	(0.12)	2.26	0.11	0.16	0.27	0.40	0.30	0.27	0.09	(0.01)
Net Gains (Losses) on Securities (both realized and unrealized)	(4.46)	(0.24)	3.89	4.99	(0.50)	4.92	3.71	5.47	3.63	0.76	5.51
Total From Investment Operations	(4.45)	(0.36)	6.15	5.10	(0.34)	5.19	4.11	5.77	3.90	0.85	5.50
<u>Less Distributions</u>											
Distributions from net investment income	(0.06)	0.00	(2.44)	(0.15)	(0.14)	(0.32)	(0.36)	(0.31)	(0.18)	(0.02)	(0.04)
Distributions from net realized capital gains	(0.61)	(2.84)	(1.86)	(1.78)	(6.50)	(4.81)	(2.76)	(0.54)	(0.70)	(0.43)	(0.56)
Total Distributions	(0.67)	(2.84)	(4.30)	(1.93)	(6.64)	(5.13)	(3.12)	(0.85)	(0.88)	(0.45)	(0.60)
Net Asset Value — End of Period	\$22.98	\$28.10	\$31.30	\$29.45	\$26.28	\$33.26	\$33.20	\$32.21	\$27.29	\$24.27	\$23.87
Total Return	(15.81%)	0.42%	23.34%	21.45%	3.05%	16.92%	13.92%	21.40%	16.44%	3.48%	29.50%
<u>Ratios/Supplemental Data</u>											
Net Assets, End of Period (in thousands)	\$317,676	\$310,659	\$182,117	\$140,990	\$185,683	\$296,803	\$353,029	\$384,087	\$328,153	\$199,191	\$78,581
Ratio of Expenses to Average Net Assets	0.95%**	1.02%	1.04%	1.09%	1.01%	0.95%	0.96%	0.96%	1.06%	1.22%	1.47%
Ratio of Net Investment Income (Loss) to Average Net Assets	(0.46%)**	(0.62%)	(0.26%)	0.31%	0.49%	0.76%	1.23%	0.99%	1.18%	0.38%	(0.01%)
Portfolio Turnover Rate	26%**	26%	43%	28%	51%	38%	37%	34%	29%	43%	61%

* Net Investment Income (Loss) per share has been computed before adjustments for book/tax differences.

** Annualized.

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Meridian Growth Fund

Notes to Financial Statements

For the Six Months Ended December 31, 2002

1. **Organization and Significant Accounting Policies:** Meridian Growth Fund (the “Fund”) a series of Meridian Fund, Inc. (the “Company”), began operations on August 1, 1984. The Fund was registered on August 1, 1984, under the Investment Company Act of 1940, as amended, as a no-load, diversified, open-end management investment company. The primary investment objective of the Fund is to seek long-term growth of capital. Originally named Meridian Fund, the name was changed effective April 20, 2001 to Meridian Growth Fund, to more closely reflect the investment style. There was no change in how the Fund is managed. In addition to the Meridian Growth Fund, the Company also offers the Meridian Value Fund. The following is a summary of significant accounting policies:
 - a. **Investment Valuations:** Marketable securities are valued at the last sales price on the principal exchange or market on which they are traded; or, if there were no sales that day, at the last reported bid price.
 - b. **Federal Income Taxes:** It is the Fund’s policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable income to its shareholders; therefore, no federal income tax provision is required. The aggregate cost of investments for federal income tax purposes is \$301,404,495, the aggregate gross unrealized appreciation is \$39,087,428, and the aggregate gross unrealized depreciation is (\$36,781,290), resulting in net unrealized appreciation of \$2,306,138.
 - c. **Security Transactions:** Security transactions are accounted for on the date the securities are purchased or sold (trade date). Realized gains and losses on security transactions are determined on the basis of specific identification for both financial statement and federal income tax purposes. Dividend income is recorded on the ex-dividend date. Interest income and accretion income are accrued daily.
 - d. **Cash and Cash Equivalents:** All highly liquid investments with an original maturity of three months or less are considered to be cash equivalents. Available funds are automatically swept into a Cash Reserve account which preserves capital with a consistently competitive rate of return. Interest accrues daily and is credited by the third business day of the following month.
 - e. **Expenses:** Expenses arising in connection with the Fund are charged directly to the Fund. Expenses common to both series of Meridian Fund, Inc. are allocated to each series in proportion to their relative net assets.
 - f. **Use of Estimates:** The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements. Actual amounts could differ from those estimates.
 - g. **Distributions to Shareholders:** The Fund records distributions to its shareholders on the ex-date. The amount of distributions from net investment income and net realized capital gains are determined in accordance with federal income tax regulations which may differ from generally accepted accounting principles. These “book/tax” differences are either considered temporary or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the capital accounts based on their federal tax-basis treatment; temporary differences do not require reclassification.

Meridian Growth Fund

Notes to Financial Statements (continued)

For the Six Months Ended December 31, 2002

Distributions which exceed net investment income and net realized capital gains are reported as dividends in excess of net investment income or distributions in excess of net realized capital gains for financial reporting purposes but not for tax purposes.

To the extent they exceed net investment income and net realized capital gains for tax purposes, they are reported as distributions of paid-in-capital. Permanent book-tax differences, if any, are not included in ending undistributed net investment income (loss) for the purposes of calculating net investment income (loss) per share in the Financial Highlights.

2. **Related Parties:** The Fund has entered into a management agreement with Aster Investment Management Company, Inc. (the "Investment Adviser"). Certain Officers and/or Directors of the Fund are also Officers and/or Directors of the Investment Adviser. Beneficial ownership in the Fund by Richard F. Aster, Jr., President, as of December 31, 2002 was 3.2%.

The Investment Adviser receives from the Fund as compensation for its services an annual fee of 1% of the first \$50,000,000 of the Fund's net assets and 0.75% of the Fund's net assets in excess of \$50,000,000. The fee is paid monthly and calculated based on that month's daily average net assets.

3. **Capital Share Transactions:** The Fund has authorized 25,000,000 common shares at a par value of \$.01 per share. Transactions in capital shares for the six months ended December 31, 2002 and the year ended June 30, 2002, were as follows:

	December 31, 2002	June 30, 2002
Shares sold	4,286,529	6,337,280
Shares issued on reinvestment of distributions	<u>333,958</u>	<u>672,857</u>
	4,620,487	7,010,137
Shares redeemed	<u>(1,853,282)</u>	<u>(1,773,803)</u>
Net increase	<u><u>2,767,205</u></u>	<u><u>5,236,334</u></u>

4. **Compensation of Directors and Officers:** Directors and officers of the Fund who are directors and/or officers of the Investment Adviser receive no compensation from the Fund. Directors of the Fund who are not interested persons as defined in the Investment Company Act of 1940 receive compensation in the amount of \$1,000 per annum and a \$1,000 purchase of Meridian Growth Fund or Meridian Value Fund shares, plus expenses for each Board of Directors meeting attended. The aggregate compensation due the unaffiliated Directors of the Fund as of December 31, 2002 was \$4,011.
5. **Cost of Investments:** The cost of investments purchased and the proceeds from sales of investments, excluding short-term obligations, for the six months ended December 31, 2002, were \$92,684,439 and \$36,156,571 respectively. The cost of U.S. Government securities purchased were \$28,903,254 and \$27,400,000 were redeemed at maturity during the six months ended December 31, 2002.

MERIDIAN GROWTH FUNDSM

This report is submitted for the information of shareholders of Meridian Fund, Inc. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

Officers and Directors

RICHARD F. ASTER, JR.
President and Director

MICHAEL S. ERICKSON

HERBERT C. KAY

JAMES B. GLAVIN

MICHAEL STOLPER
Directors

GREGG B. KEELING
Treasurer and Secretary

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SEMI-ANNUAL REPORT



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